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USDOC FOR 532/OEE/MO'BRIEN
USDOC FOR 532/BIS/OEA/TWILLIS/EHOLLAND/ANALYST

E.O. 12958: N/A

TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [RS](#)

SUBJECT: EXTRACHECK: POST-SHIPMENT VERIFICATION: OJSC RPE KVANT,
MOSCOW, RUSSIA.

REFTEL: REQUEST #4210016; DATED 5/28/2009

1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

2. Reftel requested a post-shipment verification to determine the legitimacy and reliability of the end-user, OJSC RPE Kvant, Moscow, Russia. The company is listed on BIS license application D383270 as the ultimate consignee of one chemical vapor model E450LDM (MOCVD system) engineered for the high-volume production of compound semiconductor material. This item is controlled for national security and anti-terrorism reasons under ECCN 3B001. The licensee is Veeco Instruments, 100 Sunnyside Boulevard, Woodbury, NY 11797.

3. On August 27, 2009, Commercial Attach Katja Kravetsky and LES Natalya Shipitsina conducted the requested post-shipment verification at the office of OJSC RPE Kvant, 3-rd Mytischinskaya street, 16, Moscow, Russia. The export control team met with Prof. Marlen Kagan, Head of Photovoltaics Department, and Sergey Sharov, Chief Technologist.

4. OJSC (Joint Stock Company) RPE Kvant is a state-owned enterprise (under the Russian Federal Space Agency), established in 2007 as a successor to RPE Kvant, founded in 1919; it currently employs a staff of over 1000. RPE Kvant is a leading organization in Russia in the field of development and production of solar cells and solar batteries. Its products have both space and terrestrial applications. RPE Kvant participates in national and international conferences and exhibitions - most recently the Moscow Aerospace Show. The main commercial application for its production is in telecommunications.

5. RPE Kvant provided documentation that supported the shipment reported in refTel. The export control team was able to identify and view the E450LDM MOCVD system at the RPE Kvant facilities. A Veeco Instruments representative worked with RPE Kvant to install the MOCVD system. It is currently functioning, but production will not commence until the end of the year.

6. The export control team found that the MOCVD system will be used for the end use for which it was licensed, there are no indications of impropriety, and the consignee's answers were not evasive.

5. Recommendations: Post recommends OJSC RPE Kvant, Moscow, Russia, as a reliable recipient of sensitive U.S. origin commodities.
(FCS MOSCOW/JMARKS/KKRAVETSKY)
BEYRL